

3 Ways to Optimize Your BUSINESS PLAN with Business Intelligence



"To keep pace with the growing customer needs, attain the competitive advantage and expand the customer base, businesses are now looking for tools to not just address the market and customer demands, but also to be prepared to lead the way in future," says Peter Gartenberg, general manager, enterprise and partner group, Microsoft India.

Any meaningful discussion on intelligence involves dealing with data – whether you're talking about apes learning sign language, kids doing better in school, or businesses making better decisions.

And according to Doug Laney, author of "3D Data Management: Controlling Data Volume, Velocity, and Variety," businesses have a tremendous volume of data that is being produced at an increasing velocity from an ever growing variety of sources.

In order to get a grip on this digital blizzard of new information and make sense of it, IT professionals developed a standard process called CRISP-DM, or cross industry standard process for data mining.

Volumes have been written about the theory and application of this process. But essentially it involves an iterative approach to slicing and dicing data to look for meaningful patterns upon which effective business decisions can be made. Rather recently this process has been nick-named big data analytics.

Business intelligence (BI) is what happens when big data analytics are made available throughout the organization, democratizing the access and analysis of data." This makes it possible for your company to optimize its business plan and gain key competitive advantages, even from unexpected sources.

1. Make Plans Based in Reality

Nothing makes a business plan less effectual than basing it on last year's numbers. Doing so is akin to writing a work of fiction – last year's number no longer exist.

Plans with the best chance of successful implementation are based on current data with sensitivity analysis performed on management's assumptions of what future conditions may unfold.

The Kepion Planning solution, built upon the Microsoft Business Intelligence platform, allows users throughout the organization to access and analyze data, create what-if scenarios, and contribute to the company's successful business plan.



2. Make Your Data Understandable and Communicate it Real-Time

Optimizing your business plan is only started by putting your current and forecasted data into your analytics software.

For example, the amount of data contained within the Internet is essentially immeasurable, so rather than thumbing through an uncountable number of potential web pages to find the information you need you ask Google or another search engine to quickly locate those web pages relative to your interest.

Even though going from an uncountable many potential pages to a few hundred million represents fantastic filtering of the data, it still is not enough to be helpful.

Optimizing your business plan based on BI requires the same useful ranking of analytic results.

When you consider future actions that a business could take given probable future conditions, the number of possible options is virtually uncountable. Reducing that number of possible options to a countable number through analytics is good.

Business intelligence software includes powerful dashboards and scorecards to aggregate mountains of data from a variety of different sources.

Allowing aggregated data to be visually represented in understandable and intuitive graphics often reveals hidden opportunities which the company can seize upon, or previously unknown threads that must be carefully navigated.

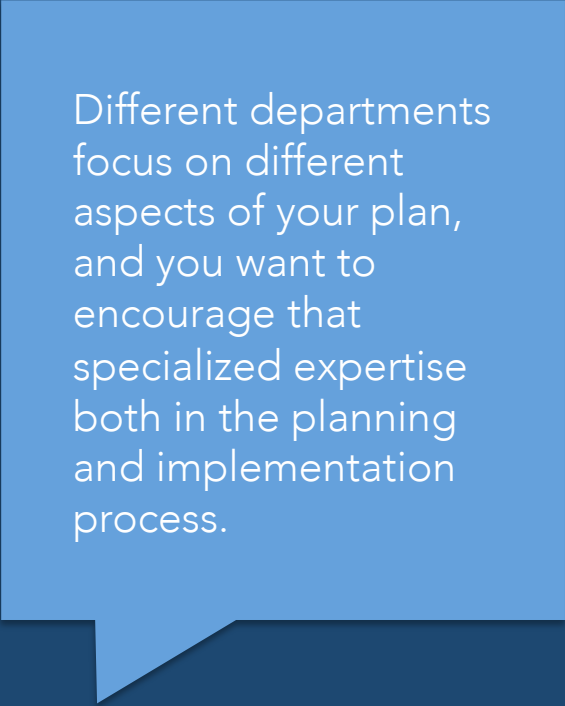
3. Now, Get the Planning out of the Silos

If creating a business plan were as easy as drawing a straight line with a ruler, BI would be little more than an exercise in data-crunching.

Yet in reality, because of the number of interrelated inputs that go into planning, the net results of a decision in one department may have unanticipated, non-intuitive results elsewhere.

And when that negatively effects your actual bottom line you may not get a "re-do."

That's why you need your business plan optimized before being implemented – and you need to keep it optimized during implementation in a dynamic business environment.



Different departments focus on different aspects of your plan, and you want to encourage that specialized expertise both in the planning and implementation process.

To make the most of that specialization, your BI software needs to leverage the expertise of these individuals by allowing the free and open exchange of communication throughout your organization.

However, when BI is used intelligently to create an iterative, collaborative process based on real and forecasted data that engages with your management team throughout the organization then something useful is created.

When your IT infrastructure enables your in-house experts to share their expertise and gain insights through a productive dialogue, then what is created will also have maximum management buy-in. And when your organization has created the best possible plan and maximized buy-in, your business plan is optimized. And that's what business intelligence is all about.

